

Adopted	Rejected
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COMMITTEE REPORT

YES:	13
NO:	0

MR. SPEAKER:

*Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1120, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 27-7-9-8 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 8. (a) Coverage for
5 damage due to mine subsidence must be available as an additional form
6 of coverage under any insurance policy providing the type of insurance
7 described in Class 3(a) of IC 27-1-5-1 to directly cover one (1) or more
8 structures located in a county identified under section 6 of this chapter.
9 The mine subsidence coverage must be available in an amount
10 adequate to indemnify the insured to the extent of the loss in actual
11 cash value of the covered structure due to mine subsidence, less a
12 deductible equal to two percent (2%) of the insured value of the
13 structure under the policy. However, the deductible must be no less
14 than two hundred fifty dollars (\$250) and no more than five hundred

1 dollars (\$500).

2 (b) An insurer proposing to issue a policy providing the type of
3 insurance described in Class 3(a) of IC 27-1-5-1 to cover one (1) or
4 more structures located in a county identified under section 6 of this
5 chapter shall inform the prospective policyholder of the availability of
6 mine subsidence coverage under this section. An insurer shall inform
7 the prospective policyholder of the availability of mine subsidence
8 coverage under this subsection when a policy described in this
9 subsection is issued. ~~However, an insurer is not required to inform a~~
10 ~~prospective policyholder of the availability of mine subsidence~~
11 ~~coverage if the issuance of the policy will take place after June 30,~~
12 ~~2000.~~

13 (c) When an insurer informs a prospective policyholder of the
14 amount of the premium for the mine subsidence coverage that is
15 available as an additional form of coverage under a policy as required
16 by subsection (a), the premium for the mine subsidence coverage must
17 be stated separately from the premium for the other coverage provided
18 by the policy. The amount of the premium for mine subsidence
19 coverage provided by an insurer under this section must be set
20 according to the premium level set by the commissioner under section
21 10 of this chapter.

22 (d) Except as provided in subsection (f), an insurance policy
23 providing the type of insurance described in Class 3(a) of IC 27-1-5-1
24 to directly cover one (1) or more structures located in a county
25 identified under section 6 of this chapter must include the mine
26 subsidence coverage provided for under subsection (a) if the
27 prospective insured (before issuance of the policy) or the insured
28 (before renewal of the policy) indicates that the coverage is to be
29 included in the policy.

30 (e) An insurer is not required to provide mine subsidence coverage
31 under subsection (a) under any insurance policy in an amount
32 exceeding the amount that is reimbursable from the fund under section
33 9(a)(4) of this chapter.

34 (f) An insurer must decline to make the mine subsidence coverage
35 provided for under subsection (a) available to cover a structure
36 evidencing unrepaired mine subsidence damage, until necessary repairs
37 are made. An insurer may also decline to make the mine subsidence
38 coverage available under an insurance policy if the insurer has:

- 1 (1) declined to issue the policy;
- 2 (2) declined to renew the policy; or
- 3 (3) canceled all coverage under the policy for underwriting
- 4 reasons unrelated to mine subsidence."
- 5 Renumber all SECTIONS consecutively.
(Reference is to HB 1120 as introduced.)

and when so amended that said bill do pass.

Representative Crooks